



STATE OF DELAWARE

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January 29, 2019

MEMORANDUM

TO: The Chair and Members of the Commission

FROM: Shona Marshall, Public Utility Analyst 

SUBJECT: IN THE MATTER OF THE APPLICATION OF WORKING ASSETS FUNDING SERVICE, INC. D/B/A CREDO ENERGY FOR A CERTIFICATE TO PROVIDE ELECTRIC SUPPLY SERVICES WITHIN THE STATE OF DELAWARE (SUBMITTED NOVEMBER 5, 2018; FILED JANUARY 17, 2019) - PSC DOCKET No. 18-1177

Background

On November 5, 2018, Working Assets Funding Service, Inc. D/B/A CREDO Energy (the "Company") submitted an application (the "Application") with the Delaware Public Service Commission (the "Commission") for an Electric Supplier Certificate ("ESC") to broker electricity in the State of Delaware pursuant to § 1012 of the Electric Utility Restructuring Act of 1999, 26 *Del. C.* §§ 1001 - 1020 (the "Act") and 26 *Del. Admin. C.* § 3001, the Commission's Rules for Certification and Regulation of Electric Suppliers (the "Supplier Rules").¹

Application

The Company's original filing was submitted on November 5, 2018, but the submitted Application was deficient in meeting the minimum filing requirements ("MFR's"). In a letter dated November 19, 2018, Commission Staff ("Staff") requested the Company provide information related to legal trade names, authority to do business in Delaware, retail experience, and marketing plans. The Company responded in a submission dated December 17, 2018, however, the Application remained deficient. Staff submitted a final deficiency letter dated January 3, 2019. The Company's response received January 17, 2019 satisfied the requirements of the MFR's.

Review and Analysis

Authority to do Business in Delaware

The Company was incorporated in the state of California. The Company provided proof issued by the Delaware Secretary of State that it is legally authorized and qualified to do business in the State of

¹ Unless otherwise noted, all references to capitalized terms are set forth in the Act and/or the Supplier Rules.

Delaware. The Delaware Certificate of Good Standing was issued June 14, 2018. The Delaware business license was issued September 7, 2018 and is valid from January 1, 2019 through December 31, 2020.

Resident Agent

The Company supplied the contact information for a Delaware Registered Agent listed in the Application as The Corporation Trust Company located at 1209 Orange Street, Wilmington, DE 19801.

Compliance with Regional Requirements

The Company agreed to only work with an entity that complies with PJM's requirements and is a certified electric supplier in Delaware.

Financial, Operational, Managerial and Technical Ability

The Company submitted independently audited consolidated financial statements for the years ended December 31, 2017 and December 31, 2016 as indicia of financial capability under Section 2.2.16.2 of the Supplier Rules in its initial Application. Staff has reviewed the Balance Sheet, Statement of Income, Stockholder's Equity, and Statement of Cashflows and the Company has satisfied the requirements of the Supplier Rules for purposes of brokering electric supply services in the State of Delaware.

The Company anticipates serving residential customers throughout the State of Delaware. The Company is not currently licensed in any other states. The Company has done business in other sectors in Delaware under the following names: Working Assets Online, Working Assets Long Distance, Credo Long Distance, and Credo Mobile.

The Application included a summary of experience and qualifications for its officers. Ray Morris is the CEO, President, and Secretary of the Company. He has over 25 years of managerial experience. Janice Crump is the CFO and Treasurer of the Company. She possesses over 28 years of managerial experience. Trish Tobin is the VP of marketing and has over 22 years of managerial experience.

Surety Bond

The Company did not post a surety bond because there are no service agreements between the Company and any Delaware Electric Distribution Company.

Verification of Application

The Application and subsequent filings to the Application contained a signed sworn verification of application with the signature of Janice Crump.

Consent to Jurisdiction

The Company consents to the jurisdiction of the Delaware courts.

Contracts

The Company has not submitted copies of customer contracts because it will operate as a broker. The Company submitted marketing materials intended to be used in the state of Delaware.

Statement of Criminal Activity

The Applicant stated that it has not been charged or convicted of any criminal activity nor have any of its principals or corporation offices. An internet review of the Company and its principals did not return any incidents of criminal activity.

Waivers

The Company has not applied for a waiver.

Legal Review

Staff submitted this Memo for review by the Attorney on February 1, 2019.

Staff Recommendation

Based on Staff's review and analysis of the Application, the Company has satisfied the requirements of the Act and the Supplier Rules. The completed Application supports the Company's request for certification. Staff's review and analysis of the Application demonstrates substantial evidence of capability to render service based on the Company's financial, operational, managerial and technical abilities. Therefore, Staff recommends the Commission approve the Application.